

TENNESSEE WASTEWATER SYSTEMS, INC.
A PUBLIC UTILITY CO.

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October 20, 2005

Honorable Ron Jones
Chairman
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505

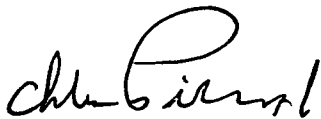
05-00293

RE: Petition to amend Certificate of Convenience and Necessity

Dear Chairman Jones:

Tennessee Wastewater Systems, Inc. desires to expand its service area to include a portion of Robertson County, Tennessee, known as Cross Plains. The attached Petition is in support of our request.

Sincerely,



Charles Pickney, Jr., President
Tennessee Wastewater Systems, Inc.

7638 River Road Pike Nashville TN 37209-5733
(615) 356-2880 Fax (615) 356-7295

**BEFORE THE TENNESSEE REGULATORY AUTHORITY
NASHVILLE, TENNESSEE**

_____, 2005

**IN RE: PETITION OF TENNESSEE WASTEWATER SYSTEMS,
INC. TO AMEND ITS CERTIFICATE OF
CONVENIENCE AND NECESSITY**

DOCKET No. _____

Petition of Tennessee Wastewater Systems, Inc.
To amend its Certificate of Convenience and Necessity

Tennessee Wastewater Systems, Inc. ("TWS") petitions the Tennessee Regulatory Authority ("TRA") to amend TWS's Certificate of Convenience and Necessity to expand its service area to include a portion of Robertson County known as Cross Plains. We are proposing to provide wastewater service to the city of Cross Plains and the property of B & P Investments. See the attached letters from the city and B & P Investments requesting our service. We are proposing a deep cell lagoon treatment and dispersal system that has a capacity of approximately 75,000 gallons per day and could be expanded later if desired. The system will serve the areas marked as City #1 and City #2 and the 200 ft. wide corridor along Highway 25 that joins them as shown on the enclosed map (Exhibit "A"). The exact maps and parcels for a service area this large are far too numerous to list accurately. In addition, the system will be designed and constructed to serve the area marked B & P property and will include the B & P development of approximately 150 homes (Map 74 - Parcel 29). The estimated system revenue is on attached sheet. We have applied for a TDEC permit, but have not received a number at this time. No contracts have been signed at this point. However, it is the intention of the parties that Tennessee Wastewater will own the collection, treatment and dispersal systems and will own the property that the treatment and dispersal systems occupy. Neither the City of Cross Plains, nor the Robertson County Government desires or has plans to provide sewer service in this area (see attached letters). After approval, the system will take about 4 months to complete. The estimated value of the contribution in aid of construction is \$650,000 00. Tennessee Wastewater will not invest any capital in the system.

Respectfully Submitted,



Charles Pickney, Jr.

Tennessee Wastewater Systems, Inc.

**BEFORE THE TENNESSEE REGULATORY AUTHORITY
NASHVILLE, TENNESSEE**

IN RE:)
)
PETITION OF TENNESSEE WASTEWATER) Docket No. _____
SYSTEMS, INC. TO AMEND ITS)
CERTIFICATE OF CONVENIENCE AND)
NECESSITY)

**CROSS PLAINS
PRE-FILED DIRECT TESTIMONY OF CHARLES PICKNEY, JR.**

- 1 Q. State your name for the record and your position with the Petitioner, Tennessee
2 Wastewater Systems, Inc.
3
4 A. Charles Pickney, Jr. I am the president of Tennessee Wastewater Systems, Inc.
5
6 Q. What is the business of Tennessee Wastewater Systems, Inc. (the Company)?
7
8 A. Providing affordable wastewater service in communities where it is presently
9 unavailable.
10
11 Q. When did the Company receive its first certificate from the Authority to operate a
12 sewer system in Tennessee?
13
14 A. April 4, 1994.
15
16 Q. How many certificates has the Company received from the Authority to provide
17 sewer service across the State of Tennessee?
18
19 A. Over 50.
20
21 Q. Does the Company have the management, technical and financial ability to
22 provide wastewater service in the area in Robertson County sought in this
23 Petition?
24
25 A. Yes.
26
27 Q. Is there a stated public need for wastewater service in this area?
28
29 A. The public need for this service is reflected in the letter from Barry Faulkner, the
30 Mayor of the City of Cross Plains and Carl Pritchard of B & P Investments.

1 Q. How many customers will be served in this development?
2

3 A. Our company expects to serve approximately 50 commercial customers and 150
4 residential customers.
5

6 Q. Does this conclude your pre-filed testimony?
7

8 A. Yes.
9

10

CERTIFICATE OF SERVICE

The undersigned hereby certifies that the above and foregoing Pre-Filed Direct Testimony of Charles Pickney, Jr. has been served upon the Tennessee Regulatory Authority, 460 James Robertson Parkway, Nashville, TN 37243-0505 on this 20~~th~~ day of October 2005 and delivered by hand.



CHARLES PICKNEY, JR.

Cross Plains

Projected Subdivision Build-Out

		Commercial	Residential
2007	-	10	30
2008	-	10	50
2009	-	10	40
2010	-	10	20
2011	-	10	10

Estimated System Costs and Revenues for Five Years

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Costs	20,200	46,900	70,800	87,600	100,000
Revenues	22,000	51,000	77,000	95,300	109,800

**Tennessee Wastewater Systems, Inc.
Sewer Service Billing Summary
Residential Sewer Rates**

System	Monthly Charge
Oakwood Subdivision – Maury County – 99-00393 - Sheet 1	\$35.11
Southridge Subdivision – Montgomery County – 97-01104 - Sheet 2	\$23.94 + actual costs
Swan Harbor – Roane County – 97-01003 – Sheet 3	\$35.11
River Road Utility District – Cheatham County – 97-01394 – Sheet 4	\$31.15
Milcrofton Utility District – Williamson County – 97-01393 – Sheet 5	\$37.21
Tall Oaks Subdivision – Blount County – 98-00790 - Sheet 6	\$35.11
Yoakum Hollow Dev. (Windsor Pt) – Campbell County – 98-00881 – Sheet 7	\$35.11
Shreibman Development – Cannon County – 98-00880 – Sheet 8	\$35.11
Cornerstone of Mitchell Creek – Overton County – 99-00357 – Sheet 9	\$35.11
Bolton Area – Shelby County - 99-00724 – Sheet 10	\$32.68
Ussery #1- Sevier County – 00-00198 – Sheet 11	\$35.11
Harbor Pointe – Dekalb County – 00-00149 - Sheet 12	\$35.11
Hidden Springs Resort – Sevier County – 00-00379 - Sheet 13	\$35.11
Eagle Crest Development – Sevier County – 01-00234 – Sheet 14	\$35.11
Legacy Bay – Hawkins County – 00-00622 - Sheet 15	\$35.11
Dollywood Project (Dream Catcher Ridge) - Sevier County – 01-00424 – Sheet 16	\$35.11
Homestead Subdivision – Sevier County – 01-00423 – Sheet 17	\$35.11
Rice Property (Blue Water Bay) – DeKalb County – 01-00425 – Sheet 18	\$35.11
East Stewart – Stewart County – 01-00229	Lagoon – Sheet 19 \$30.98
	Fixed Film Treatment – Sheet 20 \$35.11
Fees. Nonpayment – 5%, Disconnection - \$10, Reconnection - \$15, Return Check - \$20, Access - \$84/yr	

**Tennessee Wastewater Systems, Inc.
Sewer Service Billing Summary
Residential Sewer Rates**

System	Monthly Charge
Eagle Springs Subdivision – Sevier County – 01-00445 – Sheet 21	\$35.11
Jackson Bend Subdivision – Blount County - 01-00221 – Sheet 22	\$35.11
Browning Subdivision – Knox County – 01-00492 – Sheet 23	\$35.11
Starr Crest II – Sevier County - 01-00755 – Sheet 24	\$35.11
City of Coopertown - Robertson County - 00-01128	
Lagoon – Sheet 25	\$30.98 +
	3% Franchise fee
Fixed Film Treatment – Sheet 26	\$35.11 +
	3% Franchise fee
Horseshoe Bend – Bedford County – 01-01025 – Sheet 27	\$35.11
Eagle Crest II - Sevier County – 01-01128 – Sheet 28	\$35.11
Eagle Crest Resort – Sevier County – 01-00183 – Sheet 29	\$35.11
Gnatty Branch Retreat – Sevier County – 02-00055 – Sheet 30	\$35.11
Airbase Road Condominiums – Blount County – 02-00478 - Sheet 31	\$35.11
Goose Creek Area -Williamson County – 02-00172 – Lagoon - Sheet 32	\$35.50
Fixed Film Treatment – Sheet 33	\$40 71
Falling Waters – Sevier County – 02-00782 – Sheet 34	\$35.11
Stewart County West – Stewart County – 02-00477 - Sheet 35	\$35.11
Lighthouse Point Condominiums – Jefferson County – 02-00732 – Sheet 36	\$35.11
The Highlands – Sevier County – 02-00781 – Sheet 37	\$35.11
Highland Cove – Dekalb County – 03-00242 – Sheet 38	\$35 11

Fees: Nonpayment – 5%, Disconnection - \$10,
Reconnection - \$15, Return Check - \$20, Access - \$84/yr

**Tennessee Wastewater Systems, Inc.
Sewer Service Billing Summary
Residential Sewer Rates**

System	Monthly Charge
Tims Ford State Park Area-Franklin County - 03-00286 - Lagoon – Sheet 39	30.98 + bonding costs
Fixed Film Treatment – Sheet 40	35.11+ bonding costs
Black Bear – Sevier County – 03-00192 – Sheet 41	\$35.11
Sunnybrook – Robertson County – 03-00307 – Sheet 42	\$35.11
Sevier County – Sevier County – 03-00045	Lagoon – Sheet 43 \$30.98
Fixed Film Treatment – Sheet 44	\$35.11
Smoky Cove Subdivision – Sevier County – 03-00377 – Sheet 45	\$35.11
King Branch Road – Sevier County – 03-00386 – Sheet 46	\$35.11
Paris Landing - Henry County – 03-00544 – Lagoon Treatment – Sheet 47	\$30.98
Fixed Film Treatment – Sheet 48	\$35.11
Walnut Grove – Giles County - 04-00054 – Sheet 49	\$35.11
Turner's Landing – Hamblen County – 04-00053 – Sheet 50	\$35.11
Spring Creek Ranch – Shelby County – 04-00123 - Sheet 51	\$35.11
Marion Womack Property (Creekview Estates) – Sumner County – 04-00170 – Sheet 52	\$35.11
Arbor Crest Subdivision – Davidson County – 04-00171 – Sheet 53	\$35.11
Merril Taylor Subdivision – Blount County - 04-00274 – Sheet 54	\$35.11
Wyndsong Subdivision – Blount County – 04-00395	\$35.11
Huffines Development – Robertson County – 04-00393	\$35.11
Williamson County West - Williamson County – 04-00394	Lagoon \$35.50
Fixed Film Treatment -	\$40.71

Fees: Nonpayment – 5%, Disconnection - \$10,
Reconnection - \$15, Return Check - \$20, Access - \$84/yr

**Tennessee Wastewater Systems, Inc.
Sewer Service Billing Summary
Residential Sewer Rates**

System	Monthly Charge
Trillium Cove Condominiums – Blount County – (Pending)	\$35.11
Marvin Keys RV Park – Cocke County – (Pending)	\$35 11
Blackberry Ridge Subdivision – Bedford County – (Pending)	\$35 11
Steve Jones Subdivision – Union County – (Pending)	\$35.11
Grainger's Landing Condominiums – Grainger County – (Pending)	\$35.11
German Creek Marina and Resort – Grainger County – (Pending)	\$35 11
Smoky Village Subdivision – Sevier County - (Pending)	\$35.11
Fentress Service Area – Fentress County – (Pending)	Lagoon \$30.98 Fixed Film Treatment \$35 11
Emerald Pointe –Cocke County – (Pending)	\$35.11
Elk Springs Resort – Sevier County – (Pending)	\$35.11
Cedar Hill Area – Robertson County - (Pending)	\$35 11
Brogadoon Resort – Roane County – (Pending)	\$35.11
Cross Plains – Robertson County	Lagoon \$30.98

Fees: Nonpayment – 5%, Disconnection - \$10,
Reconnection - \$15, Return Check - \$20, Access - \$84/yr

Tariff Rate Sheet

Commercial Sewer Rates – without food service

The monthly sewer charge per customer is based on the design daily flow expected from the type of establishment being served. A minimum of \$75 per month will be charged for up to the first 300 gallons per day of design flow expected. (Except off-site which will have a \$73 00 minimum plus pass through costs.) For each additional 100 gallons per day of design flow expected, up to a total of 1,000 gallons per day, an additional charge of \$15.00 per month per 100 gallons will be levied. For design flows expected over 1,000 gallons per day, up to 3,000 gallons per day, the following monthly charges per 1,000 gallons of daily flow will apply

Disposal

<u>Treatment</u>	<u>Drip Irrigation</u>	<u>Point Discharge</u>	<u>Off Site</u>
<u>Sand-Gravel Filter</u>	\$140 00	\$165 00	N/A
<u>Lagoon</u>	\$116 00	\$140 00	N/A
<u>* Off Site</u>	N/A	N/A	Pass through costs & \$73 00

For design daily flows over 3,000 gallons, the monthly charge on all system configurations will be \$116.00 per 1000 gallons of daily flow.

Additional surcharges will apply when customers exceed their expected design flows. For any month that a customer's water meter reading exceeds the expected design flow, the following surcharges will apply:

Excess water usage	Surcharge
1 gallon to 1,000 gallons above expected design flow	\$175 00
1,001 gallons to 2,000 gallons above expected design flow	\$200.00
Over 2,000 gallons above expected design flow	\$200.00/1000 gallons

If the water meter readings exceed the design flow for any three consecutive months, the monthly charge will be revised to reflect the increased usage and any capital costs associated with increasing the capacity of the system will be paid by the customer.

* Off Site means treatment and disposal by another entity such as a city or utility district

Fees: Nonpayment – 5%
Disconnection - \$10
Reconnection - \$15
Returned Check - \$20
City of Coopertown Franchise Fees: 3%

Tariff Rate Sheet

Commercial Sewer Rates – with food service

The monthly sewer charge per customer is based on the design daily flow expected from the type of establishment being served. A minimum of \$100 per month will be charged for up to the first 300 gallons per day of design flow expected. (Except off-site which will have a \$94.00 minimum plus pass through costs.) For each additional 100 gallons per day of design flow expected, up to a total of 1,000 gallons per day, an additional charge of \$18.00 per month per 100 gallons will be levied. For design flows expected over 1,000 gallons per day, up to 3,000 gallons per day, the following monthly charges per 1,000 gallons of daily flow will apply.

Disposal

<u>Treatment</u>		<u>Drip Irrigation</u>	<u>Point Discharge</u>	<u>Off Site</u>
	<u>Sand-Gravel Filter</u>	\$170 00	\$192 00	N/A
	<u>Lagoon</u>	\$142 00	\$163 00	N/A
	<u>* Off Site</u>	N/A	N/A	Pass through costs & \$94 00

For design daily flows over 3,000 gallons, the monthly charge on all system configurations will be \$142.00 per 1000 gallons of daily flow.

Additional surcharges will apply when customers exceed their expected design flows. For any month that a customer's water meter reading exceeds the expected design flow, the following surcharges will apply:

Excess water usage	Surcharge
1 gallon to 1,000 gallons above expected design flow	\$210.00
1,001 gallons to 2,000 gallons above expected design flow	\$220.00
Over 2,000 gallons above expected design flow	\$220.00/1000 gallons

If the water meter readings exceed the design flow for any three consecutive months, the monthly charge will be revised to reflect the increased usage and any capital costs associated with increasing the capacity of the system will be paid by the customer.

* Off Site means treatment and disposal by another entity such as a city or utility district

Fees: Nonpayment – 5%
Disconnection - \$10
Reconnection - \$15
Returned Check - \$20
City of Coopertown Franchise Fees: 3%

**Tennessee Wastewater Systems, Inc.
Sewer Systems with Commercial Customers**

System	County
Townsend Town Square – 99-00659	Blount County
Coopertown - 00-01128	Robertson County
East Stewart – 01-00229	Stewart County
Highway 31 Project (Herndon's BP) - 01-00446	Robertson County
Lyles Texaco - 01-00756	Hickman County
Topside Business Park – 01-00220	Blount County
Stewart County West - 02-00477	Stewart County
Cedar Hill Baptist Church – 03-00287	Robertson County
Tims Ford Area – 03-00286	Franklin County
Sunnybrook - 03-00307	Robertson County
Sevier County - 03-00045	Sevier County
Smoky Cove Subdivision – 03-00377	Sevier County
King Branch Road – 03-00386	Sevier County
Weigel's Convenience Store – 03-00519	Roane County
Paris Landing Area – 03-00544	Henry County
Turner's Landing – 04-00053	Hamblen County
Spring Creek Ranch – 04-00123	Shelby County
Marion Womack Property (Creekview Estates) – 04-00170	Sumner County
Arbor Crest Subdivision – 04-00171	Davidson County
Merril Taylor Subdivision - 04-00274	Blount County
Black Bear Ridge Expansion – 04-00045	Sevier County

**Tennessee Wastewater Systems, Inc.
Sewer Systems with Commercial Customers**

System	County
Legacy Laurel Branch - 04-00045	Sevier County
Legacy Mountain – 04-00045	Sevier County
Legacy the Preserves – 04-00045	Sevier County
Starr Crest II Phase 4 – 04-00045	Sevier County
Timber Tops Rental Center – 04-00045	Sevier County
Trailhead – 04-00045	Sevier County
Wyndsong Subdivision – 04-00395	Blount County
Huffines Development – 04-00393	Robertson County
Williamson County West - 04-00394	Williamson County
Trillium Cove Condominiums – 05-00030	Blount County
Tennessee State Bank-Wears Valley Branch (Pending)	Sevier County
Marvin Keys RV Park (Pending)	Cocke County
Brownlee Commercial Building (Pending)	Blount County
Grainger's Landing Condominiums (Pending)	Grainger County
German Creek Marina and Resort (Pending)	Grainger County
Fentress Service Area (Pending)	Fentress County
Emerald Pointe (Pending)	Cocke County
Elk Springs Resort (Pending)	Sevier County
Cedar Hill Area (Pending)	Robertson County
Brigadoon Resort (Pending)	Roane County

**Tennessee Wastewater Systems, Inc.
Sewer Systems with Commercial Customers**

System

County

Cross Plains

Robertson County

P O BOX 1201
WHITE HOUSE, TN 37188
PHONE (615) 617-8129
FAX (615) 672-8129

October 6, 2005

Tennessee Wastewater Systems, Inc
Mr. Charles Pickney
7638 River Road Pike
Nashville, TN 37209

RE: Sewer Service for property in Cross Plains, Robertson County, TN

Dear Mr. Pickney

This letter is to serve as a formal request for Tennessee Wastewater Systems, Inc to provide service to my property in the City of Cross Plains, in Robertson County, TN. Since the City of Cross Plains, and Robertson County do not provide sewer service to this area, we request that Tennessee Wastewater Systems, Inc provide this service.

Sincerely,

Carl C Pritchard




City of Cross Plains

7622 HIGHWAY 25 EAST • CROSS PLAINS TN 37049

August 5, 2005

Tennessee Wastewater Systems, Inc.
Mr. Charles Pickney
7638 River Road Pike
Nashville, TN 37209

RE: Sewer Service for The City of Cross Plains

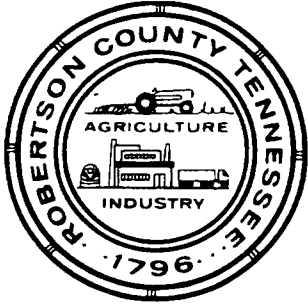
Dear Mr. Pickney:

This letter is to serve as a formal request for Tennessee Wastewater Systems, Inc. to provide service to the City of Cross Plains, in Robertson County, TN. Since the City of Cross Plains and Robertson County do not provide sewer service to this area, we request that Tennessee Wastewater Systems, Inc. provide this service.

This request is contingent upon specific terms and conditions acceptable to both Tennessee Wastewater Systems, Inc. and the City of Cross Plains.

Sincerely,

Barry Faulkner
Mayor, City of Cross Plains



Robertson County Tennessee

HOWARD R. BRADLEY

County Executive

108 County Courthouse
SPRINGFIELD, TENNESSEE 37172

(615) 384-2476

FAX (615) 384-0617

September 26, 2005

Mr. Keith Townsend
Tennessee Wastewater Systems, Inc
7638 River Road Pike
Nashville, Tennessee 37209

Dear Mr Townsend:

Robertson County does not desire to provide sewer services for the area mentioned in your September 21, 2005 letter. We provide no sewer services to any area of Robertson County.

Sincerely,

Howard R. Bradley
County Executive

HRB/wlg

EXHIBIT "A" Cross Plains

